

**APPLICATION FOR PERMIT TO APPROPRIATE THE PUBLIC
WATERS OF THE STATE OF NEVADA**

Date of filing in State Engineer's Office SEP 12 2003

Returned to applicant for correction _____

Corrected application filed SEP 19 2003

Map filed MAR 23 1972 under 26626

The applicant **Homestretch Energy** hereby makes application for permission to appropriate the public waters of the State of Nevada, as hereinafter stated. (If applicant is a corporation, give date and place of incorporation; if a copartnership or association give names of members.) **State of Nevada - 2000**

1. The source of the proposed appropriation is **Underground - Geothermal - Well No. 1**

2. The amount of water applied for is **6.0 cfs - 4,355 acre feet per annum** second feet.

(a) If stored in reservoir give number of acre-feet

3. The water to be used for **Industrial and Domestic (Power Generation)**

4. If use is for:

(a) Irrigation, state number of acres to be irrigated

(b) Stockwater, state number and kind of animals to be watered

(c) Other use (describe fully under No. 12. "Remarks")

(d) Power:

(1) Horsepower developed

(2) Point of return of water to stream

5. The water is to be diverted from its source at the following point **within the NW¼ SW¼ Section 15 T15N, R25E, MDM or at a point from with the NW corner of said Section 15 bears N 0.0 degrees 54 minutes 30 seconds W, a distance of 3,156.90 feet - Geothermal Well No. 1. Refer to map under Application No. 26626.**

6. Place of Use **w/in N½ NW¼ SW¼ Section 15; N½ N¼ SE¼ and N½ NE¼ SW¼ Section 16 T15N, R25E, MDM, east of US Highway 95 Refer to map filed under Permit No. 47586.**

7. Use will begin about **January 1** and end about **December 31** of each year.

8. Description of proposed works **Existing geothermal well, equipped with motor, pump and pipeline to place of use**

9. Estimated cost of works **\$100,000.00**

10. Estimated time required to construct works **three years**

11. Estimated time required to complete the application of water to beneficial use **ten years**

12. Remarks: **Existing geothermal well will be equipped with larger pump and/or improved to increase the current rate of flow to 2,700 gpm. The combined duty of Permit Nos. 62460,**

56007 and 51547 approved for this well and this application will not exceed 4,355 acre feet per annum. The combined duty of Geothermal Well No. 1 and 2 will not exceed 8,710 acre feet per annum.

By s/Michael D. Buschelman
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Post Office Box 51371
Sparks, Nevada 89435-1371

Compared sg/sam ag/sam

Protested

APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This permit to appropriate the waters of an underground geothermal source is issued subject to existing rights. It is understood that the amount of geothermal water herein granted is only a temporary allowance and that the final right obtained under this permit will depend upon the amount actually placed to beneficial use. The well shall be constructed and maintained to prevent any waste of the geothermal water above or below the surface.

The annulus of any well drilled under this permit shall be cemented from the top of the producing or injection interval to surface to prevent waste and to prevent any communication with fresh ground water. Only geothermal waters are to be diverted and consumptively used under this permit.

This permit does not relieve the operator of the requirements of any other state, local or federal agency. This permit does not extend the permittee the right of ingress or egress on public or private lands.

The total withdrawal of geothermal water from this well shall be limited to 4,344 acre-feet per year. This appropriation permit allows for a total consumptive use of the geothermal water produced until it is determined that injection back to the reservoir becomes necessary for pressure support or to protect existing rights on the resource. The State Engineer may impose additional conditions regarding the consumptive use of geothermal water under this permit.

A quarterly report that documents daily reservoir temperatures and pressures, and the amount, temperature and pressure of water produced, injected and/or consumed, shall be filed under this permit no later than 30 days following the calendar quarter. Any exploration and subsurface information obtained as a result of this project shall be kept confidential pursuant to Chapter 534A.031 of the Nevada Revised Statutes (NRS).

The total combined consumptive use of geothermal water under permits 47644, 51547, 56007, 62362, 70402 and 70403 shall not exceed 8,688 acre-feet annually.

(CONTINUED ON PAGE 3)

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 6.0 cubic feet per second, or 3,099 acre-feet per year.

Work must be prosecuted with reasonable diligence and be completed on or before:

March 5, 2006

Proof of completion of work shall be filed on or before:

April 5, 2006

Water must be placed to beneficial use on or before:

March 5, 2008

Proof of the application of water to beneficial use shall be filed on or before:

April 5, 2008

Map in support of proof of beneficial use shall be filed on or before:

N/A

IN TESTIMONY WHEREOF, I, HUGH RICCI, P.E.,

State Engineer of Nevada, have hereunto set
my hand and the seal of my office,

this 8th day of December, A.D. 2004


State Engineer

Completion of work filed _____

Proof of beneficial use filed _____

Cultural map filed N/A

Certificate No. _____ Issued _____

